

**Attachment 4: Labor Peace**

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For janitorial, security, and industrial laundry service contracts, a contractor shall provide written documentation of "labor peace" with a labor organization that represents employees providing similar services in the states of Oregon or Washington and that represents or seeks to represent any group of the contractor's or subcontractor's employees who are or will be involved in providing such services.

Labor peace shall be defined as a written provision in an agreement or contract whereby a labor organization (as defined by 29 U.S.C. §152(5)), for itself and its members, agrees to refrain from engaging in any picketing, work stoppages, or any other economic interference with the contractor's or subcontractor's performance of services. The labor peace provision must be signed or certified by an authorized representative of the labor organization not more than one year prior to the contractor providing such documentation and must be effective for the duration of the service contract. This labor peace requirement expires at the termination of the contract between the City and the contractor.

Nothing in this section requires a contractor or subcontractor to recognize a particular labor organization or to enter into a collective bargaining agreement establishing the substantive terms and conditions of employment. Nor is this section intended to enact or express any generally applicable policy regarding labor/management relations, or to regulate those relations in any way, or to provide a preference for any outcome in the determination of employee preference regarding union representation.

Any failure to comply with this requirement and any service disruption as a result of a labor dispute will subject a contractor to liquidated damages and possible termination of the service contract.

If the City receives responses to a Request for Proposals and none of the responses provide written documentation of "labor peace", the City's may proceed with an award only if the selected proposer can certify that it: 1) Does not have an exclusive bargaining representative representing its employees; 2) Gave written notice to any and all labor organization/s that represent employees providing similar services in the states of Oregon or Washington or that represent any group of the contractor's or subcontractor's employees who are or will be involved in providing such services of its desire to jointly develop "labor peace," and, the applicable labor organization/s failed to respond within three (3) weeks or the applicable labor organization/s represent that they are not seeking to become the exclusive representative of the contractor's employees; and 3) Certifies that it has no reason to believe a labor dispute will occur for the term of the contract.

A party asserting the existence of any written notice required by this section, including a labor organization's assertion that it did respond to the employer's notice, must produce physical evidence that the notice was in fact received by the other party.

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The City has proprietary interests in avoiding picketing, work stoppages, boycotting, strikes, and other economic interference with the performance of contracted janitorial, security, and industrial laundry services because these services are essential to keep the City's other functions operational. Therefore, for janitorial, security, and industrial laundry service contracts, a contractor shall, as a condition of being awarded a contract, provide written documentation of "Labor Peace" with a labor organization that represents employees providing similar services in the states of Oregon or Washington and that represents or seeks to represent any group of the contractor's or subcontractor's employees who are or will be involved in providing such services to carry out a contract with the City.

"Labor Peace" shall be defined as a written provision in an agreement or contract whereby a labor organization (as defined by 29 U.S.C. §152(5)), for itself and its members, agrees to refrain from engaging in any picketing, work stoppages, boycotting, strikes, or any other economic interference with the contractor's or subcontractor's performance of services. The Labor Peace provision must be signed or certified by an authorized representative of the labor organization not more than one year prior to the contractor providing such documentation and must be effective for the duration of the service contract. This Labor Peace requirement expires at the termination of the contract between the City and the contractor. This Labor Peace requirement applies only to the performance of services to carry out the contract with the City.

Nothing in this section requires a contractor or subcontractor to recognize a particular labor organization or to enter into a collective bargaining agreement establishing the substantive terms and conditions of employment. Nor is this section intended to enact or express any generally applicable policy regarding labor/management relations, or to regulate those relations in any way, or to provide a preference for any outcome in the determination of employee preference regarding union representation.

Any failure to comply with this requirement and any service disruption as a result of a labor dispute will subject a contractor to liquidated damages and possible termination of the service contract.

If a contractor does not meet the Labor Peace requirements set out in this policy, the City may proceed with an award if the contractor can meet one of the following three exceptions:

- 1. No labor organization response:** The contractor: 1) does not have an exclusive bargaining representative representing its employees who may be performing work on the service contract; 2) gave written notice to any and all labor organizations that represent employees providing similar services in the states of Oregon or Washington or that represent any group of the contractor's or subcontractor's employees who are or will be involved in providing such services of its desire to jointly develop Labor Peace, and the applicable labor organizations failed to respond within three (3) weeks or the applicable labor organizations represented that they are not seeking to become the exclusive representative of the contractor's employees; and 3) certifies that it has no reason to believe a labor dispute will occur for the term of the contract.
  
- 2. Labor organization rejects Labor Peace:** The contractor follows the notification procedures set out in Exception 1 and labor organization(s) respond that they do not wish to negotiate Labor Peace. The contractor must provide the City with written evidence of the response. The contractor must demonstrate that it has a written plan for continuation of services in the event of economic

interference by a labor organizations.

3. **Good faith effort to obtain Labor Peace:** The contractor demonstrates that it followed the notification procedures in Exception 1 and made good faith efforts to obtain Labor Peace with a labor organization but ultimately could not reach an agreement. A contractor's good faith efforts to obtain Labor Peace with a labor organization must include an offer by the contractor to submit its dispute with the labor organization about the terms of Labor Peace to immediate mediation before a neutral mediator and its participation in that mediation and, if the mediation is unsuccessful, an offer by the contractor to submit the dispute about the terms of Labor Peace to prompt resolution thorough binding interest arbitration before a neutral dispute resolution organization, and its participation in that arbitration. The contractor must demonstrate that it has a written plan for continuation of services in the event of economic interference by a labor organization.

Should the selected contractor meet one of these exceptions, the City may issue the award to the selected contractor and waive the Labor Peace requirement of this policy for up to the duration of the contract. The Mayor's Office or elected's delegate shall be responsible for determining whether a selected contractor meets an exception to this policy.

A party asserting the existence of any written notice required by this section, including a labor organization's assertion that it did respond to the employer's notice, must produce physical evidence that the notice was in fact received by the other party.

**From:** Bradley, Derek  
**Subject:** Re: Labor Peace Social Media Statement  
**To:** McNally, Matt  
**Cc:** Au, Lokyee; Morillo, Angelita; Edwards, Karly  
**Sent:** March 25, 2020 9:45 PM (UTC+00:00)

Looks good to me!

Sent from my iPhone

On Mar 25, 2020, at 2:38 PM, McNally, Matt <Matt.McNally@portlandoregon.gov> wrote:

Hey team,

Below is the language Lokyee wrote about the Labor Peace agreement, my notes from Derek's debrief, and my attempt at our social media statement. Please review and let me know ASAP if there should be any changes to the final section, which is the language we will post on social media.

Thanks!

### **Here is the language Lokyee wrote from our February Newsletter**

“After months of collaboration, City Council is scheduled to vote on March 25<sup>th</sup> on a resolution that will require labor peace agreements for all city contracts for janitorial, security, and laundry services. Labor peace agreements are agreements made by the employers that they will not intervene or obstruct employees from unionizing or labor organizations from working with employees to unionize.

*Why labor peace?* Workers in these industries are historically more vulnerable to poverty wages, wage theft, sexual assault in the work place, increased risk of safety and health hazards, retaliation for asserting their rights on the job, and other work-related problems. These high-risk industry jobs deserve to be good jobs that offer living wages and benefits, and ensuring that workers are safe, well compensated, and have adequate benefits results in contracts executed more efficiently, sustainably, and ethically.”

### **Here are the notes from Derek's debrief**

Makes it so that when the city contracts out janitorial, laundry, or security , the company must meet 1 of 2 factors

1. Workforce must be unionized
2. Workforce must sign a labor peace agreement with their employer that working conditions and business practices are fair, safe, non-exploitive, fair work week, etc.

Employer and city agrees they will not strike during duration of contract unless working conditions significantly change. Allows unions to build in roads into non-unionized shops with an assurance that employers won't stand in the way of unionization efforts (Don't include in public message). Unions are neutral arbitrator to help non-organized workforce create agreements with their employer. Our office has been deeply engaged in getting this passed. Message from the city is to focus on promoting this as helpful to maintaining critical services.

**Here is my attempt at a statement on social media statement. I'll also find a good picture to accompany it, like the Commissioner speaking at the labor day picnic.**

After deep engagement from our office and months of collaboration, we are pleased to announce that the Portland City Council has unanimously passed a requirement that there be a labor peace agreement for janitorial, security, and laundry services contracted out by the City of Portland. What this means is that when the city contracts out these services, they must either:

1. Be with a company that has a unionized work force.

or

2. Be with a company that signs a labor peace agreement with their employees, guaranteeing a high standard of fair and safe working conditions.

This new Labor Peace agreement will ensure that we are taking care of our workers while ensuring vital services continue uninterrupted. Historically, workers in these industries are more vulnerable to poverty wages, wage theft, sexual assault in the work place, increased risk of safety and health hazards, retaliation for asserting their rights on the job, and other work-related problems. These high-risk industry jobs deserve to be good jobs that offer living wages and benefits, and ensuring that workers are safe, well compensated, and have adequate benefits results in contracts executed more efficiently, sustainably, and ethically.”

**Matt McNally (He/Him/His) | Community Outreach Coordinator**

Commissioner Jo Ann Hardesty

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